Testimony on SB 151 for the Senate Committee on Business, Labor and Economic Affairs, January 16, 2007

My name is Bob Robinson, and I serve as Chief Executive Officer for Montana School Services Foundation. Montana School Services Foundation administers two self insured health care trusts; the Montana Unified School Trust (MUST) and Montana Association of Counties Health Care Trust (MACoHCT). These trusts provide health insurance benefits to approximately 9,000 school district and county employees and their dependents.

I rise today in opposition to SB 151. I do so for two reasons; first, the additional cost to the plans to provide hearing aid benefits and; secondly, the fact that these benefits are not a high priority of our membership.

We have asked our contracted actuary to price the additional hearing aid benefit contained in the bill for both trusts. His estimate for additional cost to the Montana Unified School Trust is $355,000 annually and $38,200 for the Montana Association of Counties Health Care Trust. These amounts equate to $3.66 per covered employee per month.

This may not seem like much but it is another $3.66 per month or $44 per year that will most likely come out of each employee's pocket. School district and county employees literally count their pennies when making decisions regarding health insurance and benefits and another $3.66 per month is meaningful.

Hearing aid benefits are not a high priority to our membership. I make that statement based upon input from our field and customer service staff who are in daily contact with our teacher and county employee membership. The feedback we receive is that the members want increased benefits for mammograms, colonoscopy's, sigmoidoscopy's, inpatient drug treatment for adolescents as well as lower copayments and deductibles for prescription services. MUST and MACoHCT both amended their plans last July to address most of these requested benefits and premium rates were adjusted accordingly.